

IN THE NEWS THIS WEEK

NEWS BRIEFS FROM AROUND THE CAPITOL

JUNE 16-22, 2009

June 16, 2009

NOTE: Information copied directly from media source

With Senate perhaps settled, next GOP fight could be for state auditor

St. Louis Beacon, Jo Mannies

State Rep. Allen Ictet's announcement Monday that he's running for state auditor could signal that the Missouri Republican Party is about to replace one intra-party struggle for another. Ictet is close to the state GOP's religious-conservative wing and appears to have gotten encouragement to jump in early, before any behind-the-scenes agreements were struck by party leaders on behalf of Schweich. Ictet said in a statement Monday that his work on the Budget Committee helped suit him for the job as state auditor.

"The auditor is the top taxpayer advocate and watchdog in the state, responsible for rooting out waste, fraud and abuse of our tax dollars," he said. "Over the past four years as House Budget chair I've worked to bring prudent fiscal management to the state's budget.

As Missouri's next state auditor, I will use that experience to continue protecting taxpayers by fighting for accountability and transparency in state spending."

Coincidence? Ictet named committee chairman on same day as auditor announcement

Kansas City Star, Jason Noble

House Speaker Ron Richard today announced the formation of a new committee to look at how the state will use federal stimulus funds. The committee will be chaired by **Rep. Allen Ictet**, a St. Louis County Republican who, in an incredible coincidence, announced this morning that he will run for state auditor in 2010. "Representative Ictet did an outstanding job crafting our state operating budget this year and I know he will continue that same fiscally responsible approach as he determines the best way to utilize the remaining stimulus funds," Richard, a Joplin Republican, said in a statement.

Ictet jumps into auditor's race

Capitol Calling, Jason Rosenbaum

For one thing, the Wildwood Republican's announcement could be seen as a byproduct of term limits. There haven't been many examples of established lawmakers taking on incumbent down-ballot statewide officials. Now that lawmakers have a finite amount of time in a particular chamber, runs for statewide office seem like a more salient possibility. If **Ictet** is the GOP candidate, he has a few things going for him:

- **Money:** Ictet has already proven to be a prolific fundraiser. Some of that money is most likely a result of him being budget chair. But he also raised a good chunk of cash running for the Speaker of the House, an election that was won by **Ron Richard**. Nevertheless, raising cash is critical when pursuing a statewide contest. Having experience in that field can be helpful.
- **He's been grilled:** The chairman of the House Budget Committee is almost required to be adept at dealing with a multitude of complicated and controversial - issues. That could help if his feet are put to the fire during next year's campaign cycle. The last Republican nominee for auditor seemed to have some problems responding to criticism.
- **He can highlight popular budgetary decisions:** Ictet can point to a multitude of popular initiatives he supported as budget chairman. Many such as funding for St. Louis' METRO system - could play well in the vote-rich St. Louis area.

But there are some potential pitfalls for Ictet's candidacy:

- **Democrats can highlight unpopular budgetary decisions:** One of the downsides about being a budget chair is saying no to potentially popular endeavors. Ictet, for instance, was front-in-center in opposing Gov. Jay Nixon's plan to expand Medicaid using bolstered reimbursements for hospitals. There are smaller budgetary decisions that could be pointed out by opponents.
- **Down-ballot incumbents rarely lose re-election:** Ictet won't only be running against incumbent state Auditor Susan Montee. He'll be running against the precedent. It's been decades since a down-ballot incumbent lost re-election. Even candidates who raised a lot of money and went on television - like then-state Rep. Sam Page - couldn't break the streak.
- **Ictet might not be alone:** Last week, KY3 political reporter Dave Catanese reported that Washington University law professor Thomas Schweich was thinking about getting into the race for auditor. Schweich also resides in St. Louis County and could potentially raise plenty of money for his statewide bid. It wouldn't surprise me if some enterprising politicians from the western side of the state decided to get into the race. It wouldn't be the first time that happened.

IN THE NEWS THIS WEEK

NEWS BRIEFS FROM AROUND THE CAPITOL

JUNE 16-22, 2009

Unemployment for May increases almost a full point

MissouriNet, Jessica Machetta

Unemployment jumped nearly a full point, climbing to nine percent in May. Economic Development spokesman John Fougere says that rate usually drops in April, when seasonal work puts people to work. April's rate was 8.1 percent. Approximately 272,000 Missourians were estimated to have been jobless during the month of May. Employment decreased by 3,700 jobs in May, on a seasonally-adjusted basis, which was the smallest monthly decrease since employment began to drop sharply last November, according to the department.

June 18, 2009

Nixon backs bonds for buildings

St. Louis Post-Dispatch, Tony Messenger

Missouri Gov. Jay Nixon signaled support Wednesday for a new state building project that would require voters to approve hundreds of millions of dollars in state bonds. In a letter to lawmakers, Nixon said that the state's capital building process has "broken down" over the "past several administrations," leaving the state needing new public buildings. Democrat **state Rep. Chris Kelly** of Columbia and Republican **floor leader Steve Tilley** of Perryville have pushed a measure to ask voters to approve \$700 million or more in bonds for university and other state projects.

Asked whether a special session was on the horizon, Nixon spokesman Jack Cardetti said: "Over the next month or so the governor will be meeting with leaders to see if a bipartisan consensus can be reached on what the smartest way is to address our state's capital needs. Decisions such as timing will be part of those discussions."

House Speaker Ron Richard, R-Joplin, said he supports the bond idea as long as it doesn't threaten the state's credit rating or prompt a tax increase. Nixon agreed with both issues in his letter. "I think it's a good way to put people back to work," Richard said.

Hobbs, Kelly chosen for stimulus panel

Columbia Daily Tribune

House Speaker Ron Richard, R-Joplin, has appointed two Mid-Missouri lawmakers to a 10-member interim committee that will investigate ways Missouri can get the most out of the funds generated by the American Recovery and Reinvestment Act of 2009.

Reps. Steve Hobbs, R-Mexico, and **Chris Kelly**, D-Columbia, were named to the special committee responsible for making sure Missouri's \$4 billion share of federal stimulus funds is handled appropriately.

Missouri advances in the clean energy sector

KMOX, Carol Daniel

A national study predicts that Missouri is on the verge of significant economic development growth linked to renewable energy. Officials with the Pew Charitable Trust said Wednesday that job growth in Missouri's "clean energy" sector has outperformed overall employment and that the industry brought in \$25 million in venture capital from 2006 through 2008. In 2007, there were just over a thousand clean energy businesses in Missouri ranking the state 23rd nationally. That figure is just 1 percent of the number of clean energy companies in California which leads the nation.

June 19, 2009

GOP lawmakers fear budget withholding

Governor's intent to veto some projects to save money causing political controversy.

Springfield News-Leader, Chad Livengood

Gov. Jay Nixon's sudden support of a multimillion-dollar state bonding program for capital improvements to public facilities is being met with skepticism from lawmakers. Some lawmakers want assurances from Nixon that he won't veto tens of millions in projects they approved last month and just punt the issue to voters to decide whether the state should take on new debt. "I want to make sure it's not used as a reason to veto House Bill 22," said **House Speaker Ron Richard**, R-Joplin.

Many legislators just wanted to fulfill previous promises they had made to universities.

"We need to at least be faithful to those we told we'd help," said **Rep. Shane Schoeller**, R-Willard.

IN THE NEWS THIS WEEK

NEWS BRIEFS FROM AROUND THE CAPITOL

JUNE 16-22, 2009

June 20, 2009

Area legislators fill majority of seats on stimulus oversight panel

St. Louis Beacon, Jo Mannies

The committee is made up of three Republicans and two Democrats each from the state House and Senate. They are appointed by state **House Speaker Ron Richard** and state Senate President Pro Tem Charlie Shields. From the House -- **Allen Icet**, R-Wildwood; **Sally Faith**, R-St. Charles; **Steve Hobbs**, R-Mexico; **Chris Kelly**, D-Columbia; and **Roman LeBlanc**, D-Kansas City.

GOP Mo. House leaders urge gov. to avoid vetoes

Southeast Missourian, David A. Lieb, AP

Missouri's Republican House leaders are urging Democratic Gov. Jay Nixon not to use a proposed bond issue as justification for vetoing construction projects funded with federal stimulus money. "It is my sincere hope that Governor Nixon is not using the House bond initiative as a publicity stunt to detract Missourians from vetoes he will make in House Bill 22 that would cut projects and job growth in our state," **House Speaker Ron Richard**, R-Joplin, said in statement Friday. House Budget Committee chairman **Allen Icet** said in the same statement that he would "strenuously object to vetoes" of projects in the budget bill. "These projects would be funded from federal stimulus funds that came to this state for the exact purpose of putting people to work immediately," said Icet, R-Wildwood.

Rep. Chris Kelly says Nixon's office "created a lot of drama around this Ellis Fischel thing"

Capitol Calling, Jason Rosenbaum

Rep. Chris Kelly, D-Columbia, said he doesn't think Nixon will veto the project. Beyond Nixon's long-standing attachment to the university, Kelly said the move would go against the governor's focus on economic development.

"Jobs are a huge, huge factor in Jay's entire administrative direction," Kelly said. "And the Ellis Fischel project - being the keystone to the new medical tower at the university - produces so many jobs that it would be illogical in his jobs world to veto it."

But Kelly added that he has no insight into Nixon's decisionmaking. When asked whether Schaefer was right to be worried about a veto threat, Kelly said "I know I'm worried."

"It's important to remember that Kurt and I see Jay differently," Kelly said. "Although Kurt and I are very often allies and are allies on this, we perceive the governor differently. If you look at it from Kurt's point of view, he's spent the entire session working hard incessantly to get Ellis Fischel. He believes it's in danger. He doesn't have the same sense of ultimate confidence in Jay's support for the university that I do. So from his perspective, it makes perfect sense."

Kelly added that by stretching out the process and not communicating as effectively as he could with some lawmakers, Nixon's office "created a lot of drama around this Ellis Fischel thing."

"And when you create drama, you can't be surprise or unhappy when other people participate in the drama," Kelly said. "I'd be shocking if Kurt were not apprehensive about it," Kelly added.

Jeff City jittery over looming budget cuts

Kansas City Star, Jason Noble

At least two projects will be safe when Gov. Jay Nixon drops the guillotine on the state budget later this month. In comments to a legislative committee this morning, Nixon's budget director, Linda Luebbering, said the governor has committed to funding a bailout for bus service in St. Louis and renovations to a center for the developmentally disabled.

Everything else, it seems, is on the firing line. House Bill 22 is the budget bill containing most of the capital projects funded with one-time federal dollars.

"This isn't the time for smokescreens and political ploys -- we are in the depths of a serious economic emergency and we owe it to our citizens to create jobs and remain fiscally responsible," **Richard** said. At the committee hearing Friday morning, **Rep. Ryan Silvey**, a Kansas City Republican, voiced similar concerns. "I'm curious to see if it's serious or if it's just a way to veto House Bill 22," he said. "I honestly don't know."

IN THE NEWS THIS WEEK

NEWS BRIEFS FROM AROUND THE CAPITOL

JUNE 16-22, 2009

June 22, 2009

NIXON'S WEEK 23 GRADE: B –

KY3, David Catanese

Governor Nixon's backing of a \$700 million dollar bond program for building projects comes around the same time he's expected to be close to making some considerable capital cuts out of the overloaded state budget. Though they both have questions, initial signs are that **Speaker Ron Richard** and Senate Leader Charlie Shields favor the general idea of building bonds, which would need statewide approved by voters. But Republicans are already preemptively ratcheting up the pressure over a potential cut to the Ellis Fischel Cancer Center in Columbia as well as other higher education projects. Sen. Kurt Schaefer thinks Nixon's call for a construction plan is a cynical move to soften the ax that's coming. Even Democratic lawmakers are unsure what Nixon will slice, which is causing some nervousness. (Do you get the sense Nixon doesn't even want to show his cards to allies in his own party?) The line-item veto is one of the most powerful acts a Governor has in his executive arsenal. The test for Nixon is how to minimize the political fallout from the lines in bills he decides to cross out. A longer-term question for the Governor is whether encouraging the state to borrow more money is the smartest strategy for Missouri's fiscal health.

State lawmaker wants special session to pass bonding legislation

MissouriNet, Steve Walsh

During the recently-concluded session of the Legislature, **Representative Chris Kelly** (D-Columbia) was the driving force behind HJR 32. The legislation passed the Missouri House but failed in the Senate. Kelly views a letter sent by Governor Nixon to lawmakers, on Wednesday, as an indication there is a desire to take another stab at this legislation - and soon.

"If you notice his one theme that he kept coming back to is how important the timing is on this," said Kelly in an interview with the MissouriNet. "He returned to that three or four times and I agree with him - the timing is critical. That's why I thought it was so important to pass it during the session. But that's water under the bridge or over the dam or wherever water goes."

As far as Kelly is concerned, there is no doubt the Governor is at least considering calling a special session.

"The Governor's concerned rightly about the ten percent unemployment," said Kelly. "And the bond issue can put lots of people to work faster than anything else. And I think what that means is that he ought to just pull the trigger."